

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

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|---|-------------------------|
| 1. TRANSMITTAL NUMBER: 3 3 - 1 4 (11) | 2. STATE: New Jersey |
| 3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID) Title XIX | |
| 4. PROPOSED EFFECTIVE DATE July 6, 1994 | |

TO: REGIONAL ADMINISTRATOR
HEALTH CARE FINANCING ADMINISTRATION
DEPARTMENT OF HEALTH AND HUMAN SERVICES

5. TYPE OF PLAN MATERIAL (Check One):

☐ NEW STATE PLAN ☐ AMENDMENT TO BE CONSIDERED AS NEW PLAN ☒ AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:

42 U.S.C. 1396r-4

7. FEDERAL BUDGET IMPACT:

a. FFY 1993 \$6 million

b. FFY 2000 \$(10 million)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:

Attachment 4.19-A
pages I-225 through I-2

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):

Same

*** SEE REMARKS

10. SUBJECT OF AMENDMENT:

Graduate Medical Education (GME) Reimbursement and Indirect Medical Education (IME)

11. GOVERNOR'S REVIEW (Check One):

☐ GOVERNOR'S OFFICE REPORTED NO COMMENT
☐ COMMENTS OF GOVERNOR'S OFFICE ENCLOSED
☐ NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL

☒ OTHER, AS SPECIFIED:

Exempt pursuant to 7.4 of the Plan

12. SIGNATURE OF STATE AGENCY OFFICIAL:

13. TYPED NAME:

Michele K. Cuhl

14. TITLE:

Acting Commissioner

15. DATE SUBMITTED:

16. RETURN TO:

Division of Medical Assistance
and Health Services
P.O. Box 712
Trenton, New Jersey 08625-0712

17. DATE RECEIVED:

19. EFFECTIVE DATE OF APPROVED MATERIAL:

07/06/94

21. TYPED NAME:

Sue Kelly

23. REMARKS:

Pages submitted and approved are as follows: Attachment 4.19-A
page I-225, I-226, I-227 and I-250.

It appears on the original HCFA 179 that Box 7a is 1.86 million
Also box 8 read pages I-225 through I-250

**STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
Reimbursement for Instate Acute Care Inpatient Hospital Services
Graduate Medical Education and Indirect Medical Education**

12.1 Hospital fee-for-service reimbursement for Graduate Medical Education (GME)

- a) GME payments shall be distributed in 12 monthly lump sum payments during the State Fiscal Year. The amount distributed shall be considered the final GME payment and shall not be reconciled. The GME payment shall not exceed the amount appropriated for GME each State Fiscal Year. This GME payment represents both direct GME and Indirect Medical Education (IME).
- b) The source of the data used to allocate the GME payment is the most recent Medicare submitted cost report with corresponding 24-month Title XIX fee-for-service inpatient paid claims data as of February 1 prior to the year of distribution. GME resident full-time-equivalents and total hospital days shall come from the Medicare submitted cost report. The hospital-specific Title XIX fee-for-service days shall come from the 24-month data Title XIX fee-for-service inpatient paid claims data.
- c) The intern and resident full-time equivalents (FTEs) as reported on the Medicare submitted cost report may be audited by the Division of

98-24(NJ)

TN 98-24 JUN 06 2001
Supersedes TN New Effective Date JUL 06 1998

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Medical Assistance and Health Services or its agent prior to payment. An adjustment, if necessary, to the submitted intern and resident FTEs shall be made in accordance with the audit.

12.2 Distribution of Graduate Medical Education (GME)

The amount appropriated for GME shall be distributed to all eligible acute care teaching hospitals. An eligible acute care teaching hospital is defined as an acute care teaching hospital that has a combined Title XIX fee-for-service utilization at or above the median of all New Jersey acute care hospitals. The Title XIX fee-for-service utilization is calculated using the hospital-specific Medicaid and NJ KidCare-Plan A fee-for-service days divided by the hospital-specific total days.

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- a) The distribution of the GME payment to eligible acute care teaching hospitals is based on the hospital-specific percentage of total weighted GME FTEs, where weighted GME FTEs equals the hospital-specific GME FTEs times the hospital-specific Title XIX fee-for-service days divided by the total Title XIX hospital fee-for-service days for all eligible hospitals.
- i) The combined GME and Hospital Relief Subsidy Fund (HRSF) for each eligible acute care teaching hospital which receives a direct State appropriation shall be contained at its calendar year 1997 HRSF plus its calendar year 1997 interim GME/IME payment. The balance shall be distributed proportionately to the remaining qualifying GME hospitals.

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These pages (I-228 through I-250) are intentionally left blank.

TN 98-24

JUN 06 2001

Supersedes TN 95-07 Effective Date JUL 06 1998